

## Message Text

LIMITED OFFICIAL USE

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ACTION L-03

INFO OCT-01 ARA-10 ISO-00 CIAE-00 COME-00 DODE-00  
DOTE-00 EB-08 FMC-01 INR-10 NSAE-00 CG-00 DLOS-09  
OES-09 CAB-02 FAA-00 TRSE-00 OMB-01 SSO-00 INRE-00  
/054 W

-----033510 011545Z /45

O 011455Z AUG 78  
FM AMEMBASSY BRASILIA  
TO SECSTATE WASHDC IMMEDIATE 8472  
INFO AMCONSUL RIO DE JANEIRO  
AMCONSUL SAO PAULO

LIMITED OFFICIAL USE BRASILIA 5981

E.O. 11652: N/A  
TAGS: ETRN, BR  
SUBJECT: TAXATION OF INSTRUMENTS OF FOREIGN COMMERCE

REF: STATE 191803

1. ON JULY 31 EMBOFF ASKED COUNSELOR PIRES, CHIEF OF TRANSPORTATION DIVISION OF FONMIN, THE QUESTIONS POSED REFTEL. PIRES WAS NOT AWARE OF ANY BRAZILIAN FEDERAL, STATE OR MUNICIPAL TAXES ON INSTRUMENTS OF FOREIGN FLAG CARRIERS. TO CONFIRM THIS IMPRESSION, PIRES CALLED DEPARTMENT OF CIVIL AVIATION AND SUNAMAM (MERCHANT MARINE) IN RIO AS WELL AS TAX AUTHORITIES AT FINANCE MINISTRY. THESE AUTHORITIES ALL CONFIRMED THAT BRAZIL LEVIES NO TAXES ON INSTRUMENTS OF FOREIGN COMMERCE AS DEFINED REFTEL (SHIPPING CONTAINERS, VESSELS, PLANES, OR THEIR FUELS).

2. WITH REFERENCE TO THE CALIFORNIA STATE PROPERTY TAX ON SHIPPING CONTAINERS, PIRES SAID THAT THE BRAZILIAN GOVERNMENT DOES NOT TAX CONTAINERS BUT RATHER THE LIMITED OFFICIAL USE

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MERCHANDISE IN THEM. THIS TAX IS LEVIED BY THE FEDERAL GOVERNMENT AND NOT BY STATE GOVERNMENTS.

3. ALTHOUGH PIRES DID NOT ADDRESS THE POINT, EMBASSY ASSUMES BRAZIL WOULD FIND A WAY TO RECIPROCATATE IF THE U.S. OR ONE OF ITS STATES TAXED BRAZILIAN INSTRUMENTS OF FOREIGN COMMERCE.

SAYRE

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** INSTRUMENTS, TAXES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 01 aug 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978BRASIL05981  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780314-0970  
**Format:** TEL  
**From:** BRASILIA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t197808109/aaaadnql.tel  
**Line Count:** 63  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 9d9f1759-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION L  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 STATE 191803  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1566839  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** TAXATION OF INSTRUMENTS OF FOREIGN COMMERCE  
**TAGS:** ETRN, ETRD, BR  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/9d9f1759-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014